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## FISCAL IMPACT REPORT

**SPONSOR** Cisneros **ORIGINAL DATE** 2/3/16  
**LAST UPDATED** 2/13/16 **HB** \_\_\_\_\_

**SHORT TITLE** Interstate Mining Compact Act **SB** 173/aSCONC/aSJC

**ANALYST** Armstrong

### ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY16	FY17	FY18	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
<b>Total</b>		\$0.0	\$0.0	\$0.0	Recurring	EMNRD Operating Budget

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Attorney General’s Office (AGO)

Energy, Minerals and Natural Resources Department (EMNRD)

Environment Department (NMED)

### SUMMARY

#### Synopsis of Senate Judiciary Committee Amendment

The committee struck the Senate Conservation Committee’s amendments, removed the bill’s finding and purpose section, and removed the section detailing a process for withdrawal from the Interstate Mining Compact Commission.

#### Synopsis of Senate Conservation Committee Amendment

The Senate Conservation Committee removed Section 2, containing findings and purpose statements, and Section 6, providing for withdrawal from the Interstate Mining Compact Commission.

Synopsis of Bill

Senate Bill 173 enacts the Interstate Mining Compact Act to allow New Mexico's entry to full membership on the Interstate Mining Compact Commission (IMCC). The bill:

- Adopts the Interstate Mining Compact.
- Authorizes the governor to participate as a member of the IMCC, and allows the governor to designate the secretary of the Energy, Minerals and Natural Resources Department (EMNRD) or the director of EMNRD's Mining and Minerals Division (MMD) as the governor's alternate to the IMCC.
- States that its provisions and IMCC policies will not be construed to limit, repeal, or supersede any state laws. The governor and the Legislature, or their designated agents, have the right to inspect the books and accounts of the IMCC.
- Authorizes payment for annual IMCC membership dues out of fees collected under the Surface Mining Act or from funds granted to the state by the Department of the Interior.
- Provides that the Legislature and governor, through repeal of the Act and with one year's written notice to all other member states, may withdraw from the Interstate Mining Compact.

**FISCAL IMPLICATIONS**

No fiscal impact. As an associate member of the IMCC, New Mexico is currently assessed a membership fee of \$22 thousand per year. This cost is paid from federal revenues. According to IMCC staff, New Mexico would be charged the same rate as a full member.

**SIGNIFICANT ISSUES**

The IMCC began in 1964 and consists of 22 full member states and four associate member states. It has expanded to include almost all coal mining states and a few other states without coal mining. Six years ago, New Mexico was the only western state. Now, Utah, Colorado, Wyoming, and Alaska have joined. Other western states are being solicited.

The Compact requires that member states enact programs for the effective conservation and use of mined land through laws and regulations. While the bill States that its provisions and IMCC policies will not be construed to limit, repeal, or supersede any state laws, New Mexico existing statutory and regulatory schemes administered by EMNRD and NMED meet the IMCC's standards.

According to EMNRD analysis:

The IMCC provides a forum for states to discuss and provide training on significant national and regional issues related to mining. These discussions occur at the commission's regular meetings, conferences, and teleconferences. The IMCC also organizes state participation in federal rulemaking and legislative actions. The IMCC

keeps states informed of developments and assists with testimony and court filings. An example is the effort over the past several years to reauthorize the federal abandoned mine land program. The IMCC worked with the states and congressional committees to keep the issue alive. The result was legislation that not only reauthorized the program for 15 years but significantly increased the money available for state programs.

The IMCC is directed by the state members. No interest group has any influence over policy. Industry representatives may occasionally participate in forums organized by the IMCC, but that is the limit of their involvement. The IMCC testifies on pending federal legislation and rules, but the comments are organized by the state members. The testimony may be given by a state representative or by the executive director. The IMCC has assisted New Mexico with testimony to Congressional committees.

Associate membership is available as a transitional period for new states. After states have been associate members for five years, they are expected to pursue full membership. After five years, a state can only continue as an associate member if it is approved by the membership. New Mexico passed the five year mark long ago and now the IMCC members vote to allow us to continue as a member if we diligently pursue full membership.

Full membership will provide New Mexico voting rights on all IMCC business; associate members have no voting rights. The work of the IMCC is conducted primarily through committees; only the representatives of full member states can serve as committee chairs.

JA/al